



PUBLIC NOTICE

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Report No. SCL-00176S

Thursday February 4, 2016

Streamlined Submarine Cable Landing License Applications Accepted For Filing

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing and subject to the streamlined processing procedures set forth in section 1.767 of the Commission's rules, 47 C.F.R. § 1.767. Pursuant to the Submarine Cable Landing License Act, 47 U.S.C. §§ 34-39, and Executive Order No. 10530, reprinted as amended in 3 U.S.C. § 301, each applicant seeks: (a) the grant of a cable landing licensee; (b) the modification of a cable landing license; and/or (c) the assignment or transfer of control of an interest in a submarine cable landing license.

Pursuant to its decision in Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, FCC 01-332, 16 FCC Rcd 22167 (2001) and section 1.767 of the rules, the Commission will take action upon these applications within forty-five (45) days after release of this public notice, unless the Commission has informed the applicant in writing that the application, upon further examination, has been deemed ineligible for streamlined processing.

Ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206. Filings relating to this application must be received within 14 days of this notice. Such filings will not necessarily result in an application being deemed ineligible for streamlined processing.

Copies of all applications listed here are available for public inspection in the FCC Reference and Information Center, located in room CY-A257 at the Portals 2 building, 445 12th Street, SW, Washington DC 20554. The center can be contacted at (202) 418-0270. People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Submarine Cable Landing License

Application filed by Seabras 1 USA, LLC (Seabras-1 USA or Applicant) for a license to land and operate a non-common carrier fiber-optic submarine cable network connecting the continental United States and Brazil, the Seabras-1 cable system (Seabras-1).

The Seabras-1 system will be a high capacity digital fiber-optic cable system consisting of six fiber pairs, with an initial capacity of 4 terabits per second (Tbps) per fiber pair and a total design capacity of 12 Tbps per fiber pair. The Seabras-1 system totals approximately 10,806 kilometers in length. Applicant states that Seabras-1's landing point in New Jersey, rather than Florida, will provide route diversity and low latency connections between the principal financial centers in the U.S. and Brazil. Construction on Seabras-1 has already commenced outside of U.S. territory, and the Applicant intends to commence commercial operation of the cable system in the second quarter of 2017.

Seabras-1 will be a point-to-point system connecting an existing cable landing station at Avon-by-the-Sea, New Jersey, with a new cable landing station, currently under construction, at Praia Grande, Brazil. The U.S. cable station is owned by Tata Communications (America) Inc. (Tata), and the Brazil cable station is owned and will be operated by Seabras 1 Brasil Ltda., a new foreign carrier in Brazil created specifically for the purpose of constructing, owning, and operating Seabras-1 in Brazil.

Applicant requests a waiver of section 1.767(h)(1) of the Commission's rules, which requires that "any entity that owns or controls a cable landing station in the United States" shall be applicants for, and licensees on, a cable landing license." 47 C.F.R. § 1.767(h)(1). According to the Applicant, Tata will not be able to affect significantly the operation of the Seabras-1, and it is not necessary for Tata to be a licensee to ensure compliance with the Cable Landing License Act, the Commission's cable landing rules, or the terms of the cable landing license. Applicant also states that it has entered into two long-term agreements with Tata, the first granting an indefeasible right of use (IRU) to Applicant for a beach manhole and conduit connecting to Tata's cable landing station, and a lease agreement for collocation space in Tata's cable landing station. Applicants' equipment located at the station will be separately caged and controlled exclusively by the Applicant from its network operations center in Secaucus, New Jersey. Further, Applicant will provide direction to Tata in all matters relating to Seabras-1, including certain limited "remote hands" monitoring, testing, and maintenance services on Seabras-1's equipment. The IRU and the lease agreements have an initial term of 15 years and can be extended to 25 years.

The Applicant proposes to operate Seabras-1 on a non-common carrier basis. Applicant states that the cable system will enhance competition and offer additional capacity on the U.S.-Brazil route, which is currently served by many other competing submarine cable facilities (Americas-II, GlobeNet, South American Crossing/Latin American Nautilus systems, AMX-1, SAM-1, and the planned Monet cable system). Applicant further states that it will not sell capacity indifferently to the user public but instead will sell bulk capacity to particular users - including carriers, Internet service providers, enterprises, and government users - pursuant to individually negotiated IRUs and capacity leases, the terms of which will vary depending on the characteristics and needs of the particular capacity purchaser.

Seabras 1 USA will own the portion of Seabras-1's wet segment in U.S. territory and in international waters, representing 96% of Seabras-1's wet segment. Seabras 1 Brasil Ltda., an indirect subsidiary of Seabras USA 1, will own the portion of Seabras-1's wet segment in Brazilian territory.

Seabras 1 USA is a direct, wholly-owned subsidiary of Seabras 1 Bermuda Ltd., a Bermuda holding company, which in turn is a direct, wholly-owned subsidiary of Seabras Group, LLC (Seabras Group), a Delaware entity. Seabras Group will be owned by two principal set of investors: (1) Partners Groups Seabras, LLC (PG Seabras), a Delaware entity, 58%, and (2) Seabras Project Holdings, LLC (Seabras Project Holdings), a Delaware entity, 42%.

Partners Group Holding AG (PG Holding), a Swiss private investment firm, will hold voting control of Seabras Group and Seabras 1 USA through PG Seabras. PG Holding is traded publicly on the SIX Swiss Exchange. Approximately 45% of PG Holding's shares are owned by its employees and partners, and no owners would have a ten percent or greater interest in Seabras 1 USA. PG Holding controls 11 funds that own, in the aggregate, a 51.17% indirect economic interest in Seabras 1 USA. Only one of these funds, Partners Group Direct Investments 2012 (EUR) L.P., Inc. (PGDI 2012), a Guernsey investment company, holds a 10-percent-or-greater indirect economic interest in Seabras Group and Seabras 1 USA (13.21% indirect economic and voting interest). Although the equity of those funds is held by third parties - none of which holds a 10-percent-or-greater direct or indirect economic interest in Seabras 1 USA - PG Holding holds voting control for any shares or member interests held by each of the funds, including the aggregate 51.17% indirect voting interest in Seabras Group, comprised of the 13.21% indirect voting interest that it holds in Seabras Group and Seabras 1 USA through PGDI 2012, and an additional aggregate 37.96% indirect voting interest in Seabras Group and Seabras 1 USA through the other ten funds. The Application provides a list of the ten funds and a brief description of each fund.

Seabras Project Holdings is a wholly-owned subsidiary of Seaborn Network Holdings, LLC (Seaborn Networks), a Delaware company. Seaborn Network's wholly-owned, direct subsidiary, Seaborn Management, Inc. (Seaborn Management), will exercise day-to-day control over Seabras Group via a management agreement with Seabras Group. The officers of Seaborn Networks will also serve as the officers of Seabras Group and Seabras 1 USA, and Seaborn Networks will hold three of Seabras Group's seven board seats, including the board chairmanship. Mr. Larry Schwartz, a U.S. citizen holds a 24.27% direct ownership of Seaborn Networks, giving him a 10.19% indirect economic and voting interest in Seabras Group and Seabras 1 USA.

Applicant agrees to abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

REMINDERS:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See C.F.R. §§ 1.2001-1.2003.

By this notice, we inform the public that submarine cable landing license applications and international section 214 applications that are part of larger transactions involving multiple Commission licenses or authorizations may involve "extraordinary circumstances" as referenced in Review of Commission Consideration of Applications under the Cable Landing License Act, Report and Order, 16 FCC Rcd 22167 (2001) and Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 (1997), paras. 327-28, Order on Reconsideration, 15 FCC Rcd 18158 (2000). Additionally, these extraordinary circumstances may result where Executive Branch agencies petition the Commission to defer decision on certain transactions pending the resolution of potential national security, law enforcement, foreign policy and trade policy issues. Accordingly, these applications may not be acted on within the 90-day review period that the Commission has established as the period of time normally required to reach a decision on non-streamlined cable landing licenses and international section 214 applications. This notice shall serve as public notice to applicants that, in these circumstances, additional time may be required for Commission review and final action. No additional formal public notice will be provided routinely with respect to specific applications in the event that the applicable review period extends beyond 90 days.